



WEBINAR

# Organic Turns Challenges into Growth Opportunities

**15 May**  
Thursday

**4:00 PM**  
CEST



**Tia  
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Executive Director  
Canada Organic Trade Association



**Tom  
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Co-CEO  
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**Amber  
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Senior Director  
The Organic Center

# House rules

- Today's webinar is being **recorded**.
- Please **send in your questions** at any time using the Q&A feature you'll find at the bottom of your Zoom screen. We will respond to your questions during the Q&A portion later.
- Send **clear and concise** questions so we can accurately answer them.
- Please keep the questions **relevant** to the webinar topic.
- Always treat each other with **respect** and consideration.



# Speakers



**Tia Loftsgard**  
Executive Director  
Canada Organic Trade  
Association



**Tom Chapman**  
Co-CEO  
Organic Trade Association



**Amber Sciligo**  
Senior Director  
The Organic Center



# US Perspectives

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## Organic Turns Challenges into Growth Opportunities

Presented by

**Tom Chapman**

Co-CEO



**ORGANIC  
TRADE  
ASSOCIATION**







The Organic Trade Association (OTA) is the membership-based business association for organic agriculture and products in North America.

**OTA IS THE LEADING VOICE FOR THE \$70+ BILLION ORGANIC INDUSTRY IN THE UNITED STATES, REPRESENTING ORGANIC BUSINESSES AND PRODUCERS ACROSS THE NATION.**

Its members include growers, shippers, processors, certifiers, farmers' associations, distributors, importers, exporters, consultants, brands, retailers and others. OTA's mission is to promote and protect ORGANIC with a unifying voice that serves and engages its diverse members from farm to marketplace.



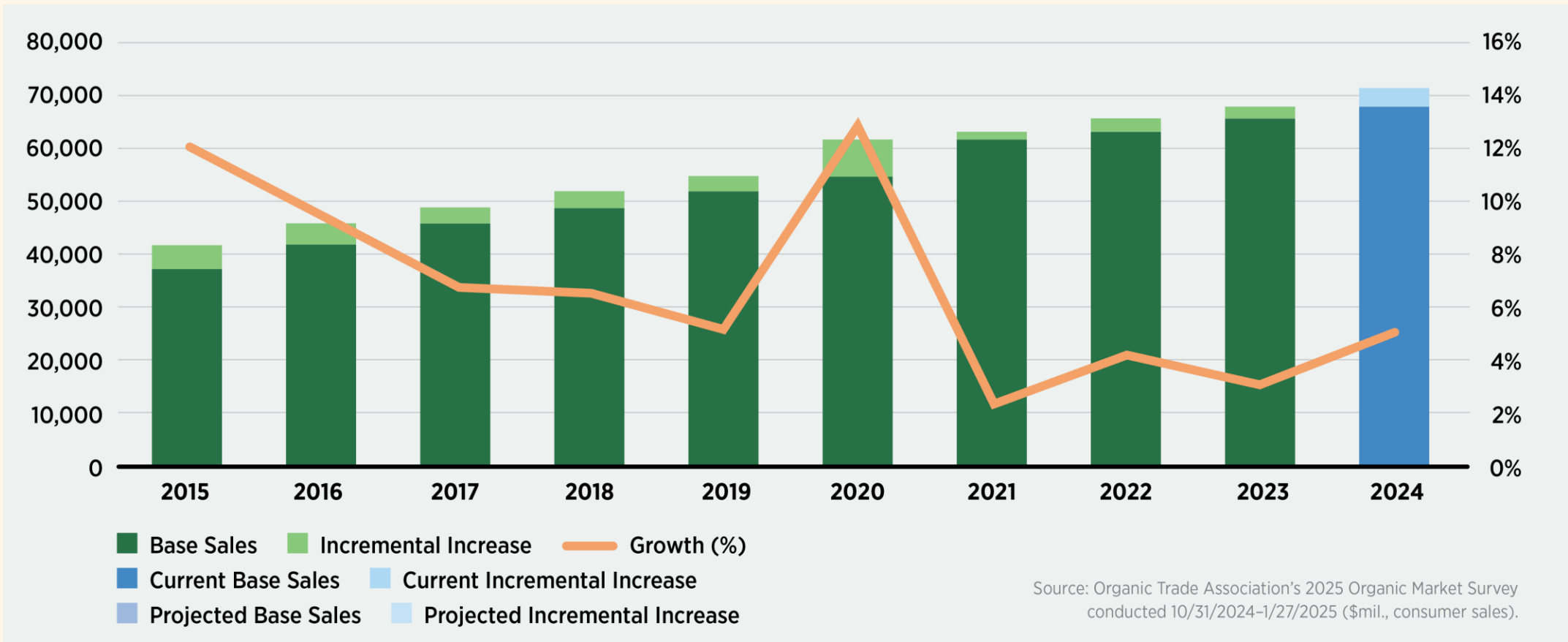




# Market Trends

U.S. Organic Marketplace Reached \$71.6 Billion

Total U.S. Organic Sales and Growth, 2015-2024



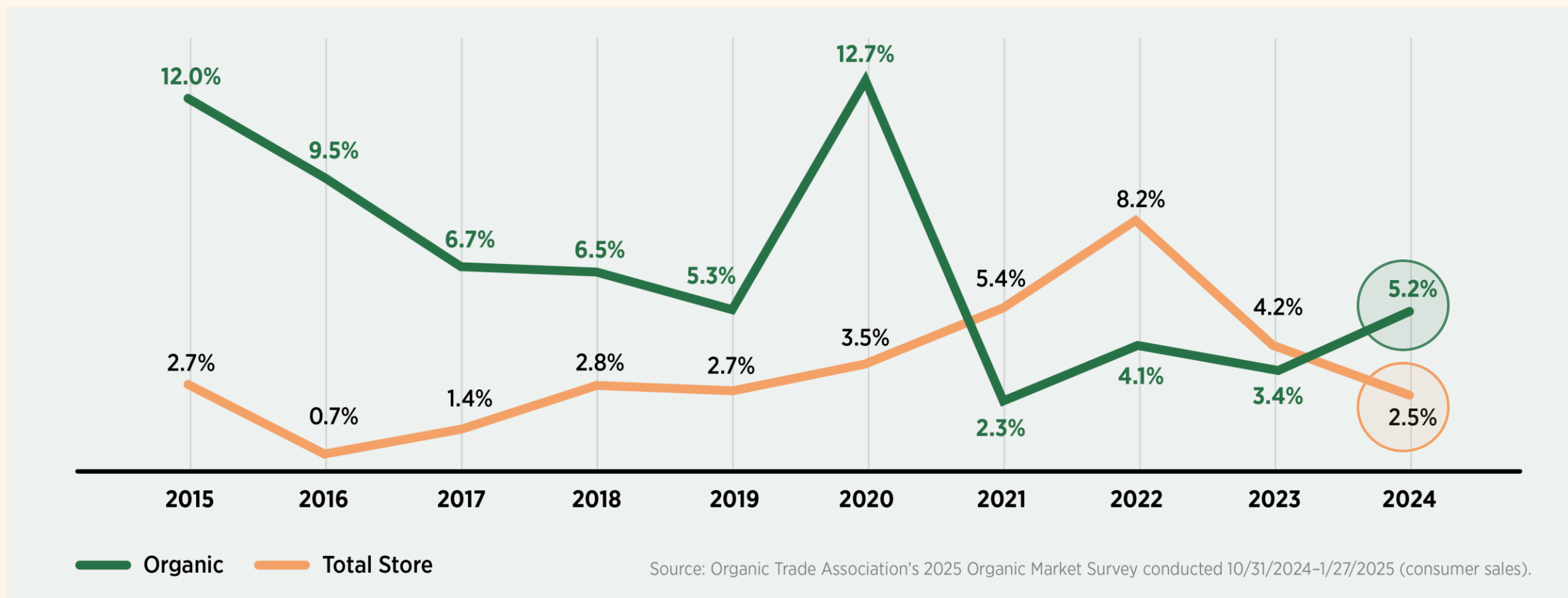




# Growth in the US Organic Market

Organic Sales Growth Over Double Total Sales Growth Rate

U.S. Organic vs. Total Store Growth, 2015–2024



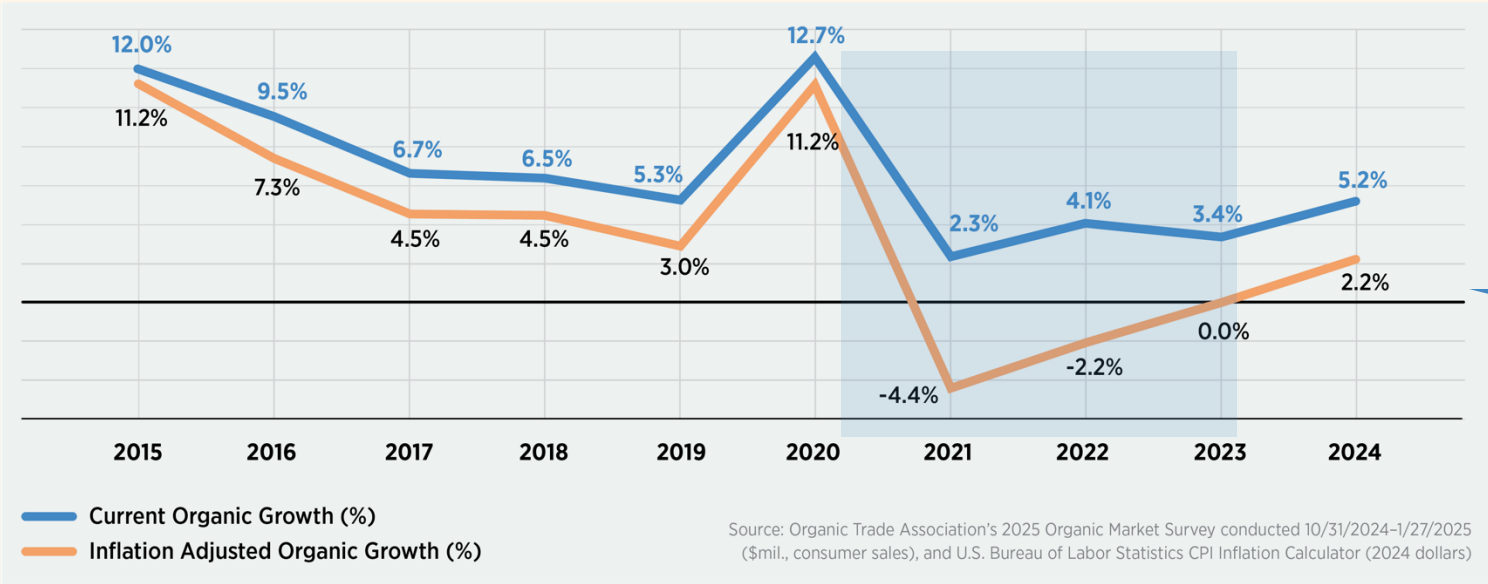




# Market Trends

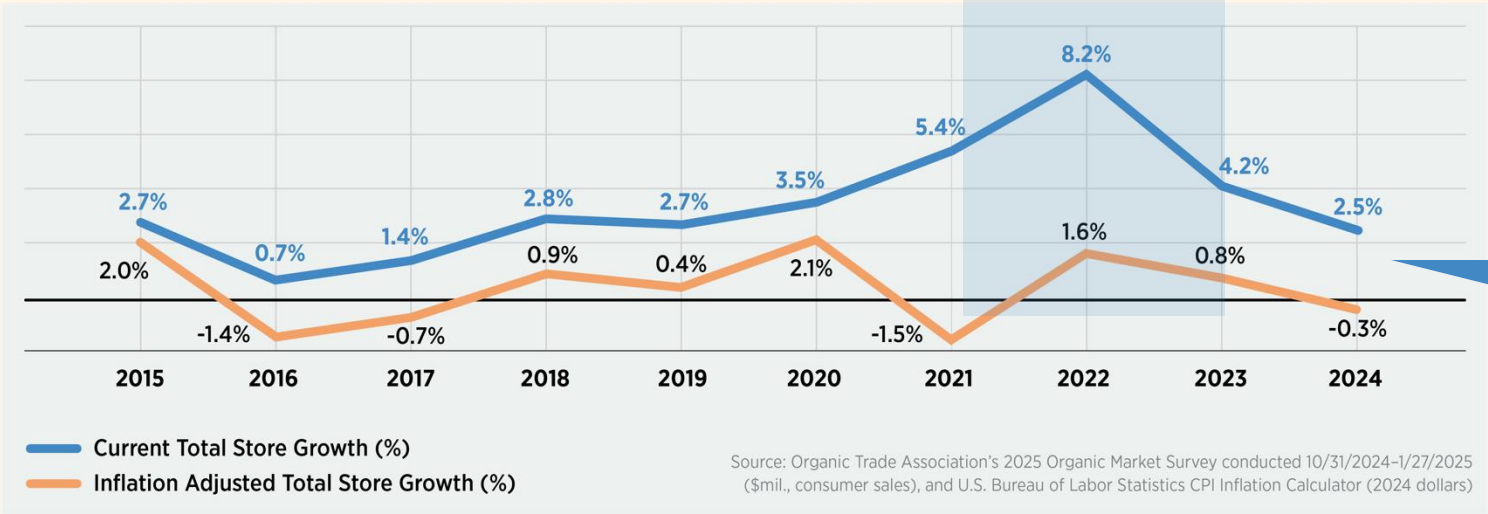
## Organic Growth Exceeds Inflation

U.S. Organic Growth, Current vs. Inflation Adjusted



**ORGANIC SALES** show three years of steady year-over-year growth since the pandemic correction in 2021.

U.S. Total Store Growth, Current vs. Inflation Adjusted



**TOTAL MARKET** has shown 2 years of decline with growth coming from inflation only.







**Over 20 subcategories have more than \$1 B+ sales**







# Market Trends

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**CLEANER, SIMPLER  
INGREDIENT DECKS**



**MORE PROTEIN,  
PLEASE**



**DRINK YOUR  
NUTRITION**



**GLP-1  
PRODUCTS**



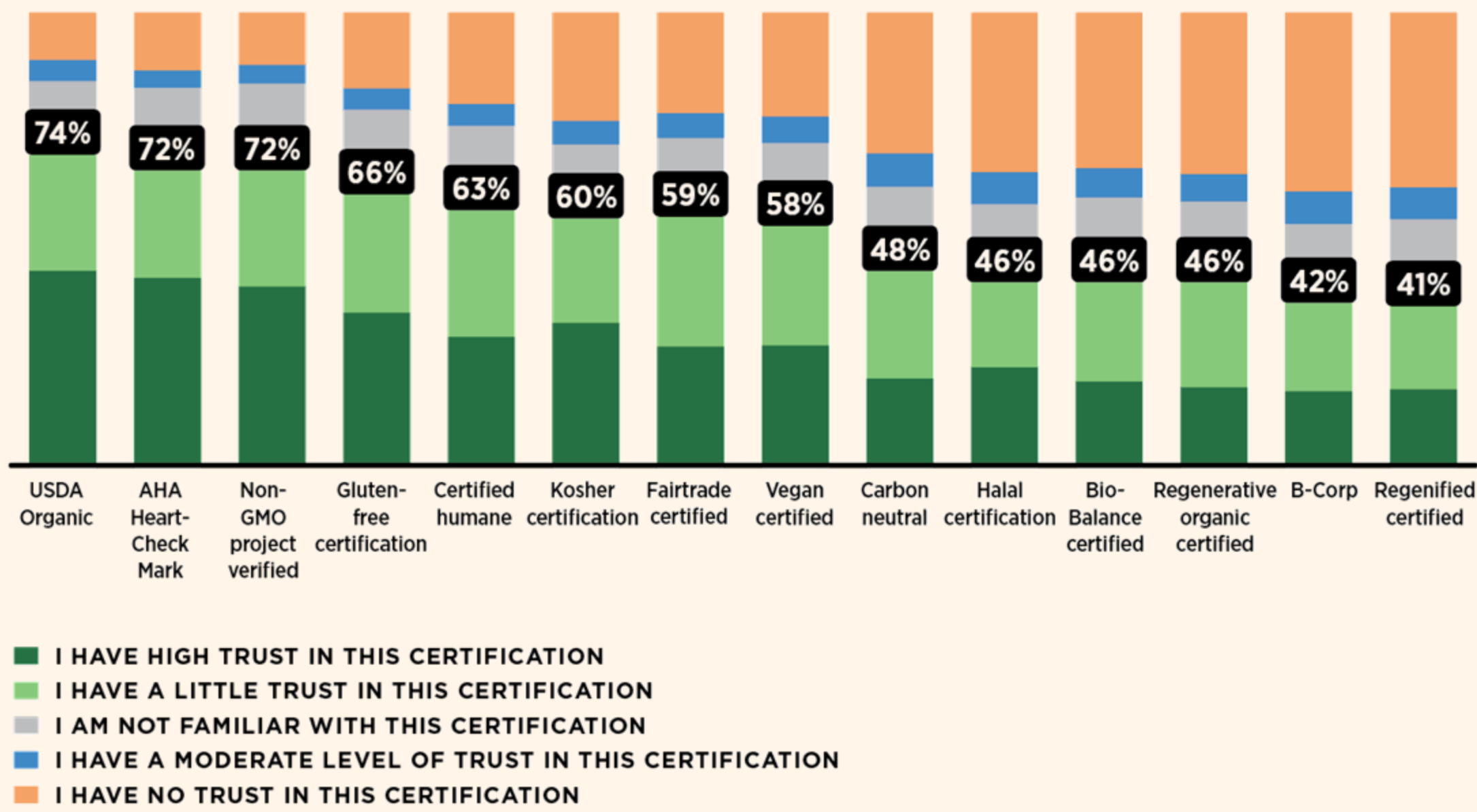
**GLOBAL FLAVORS  
STILL IN DEMAND**







# Consumer Trends



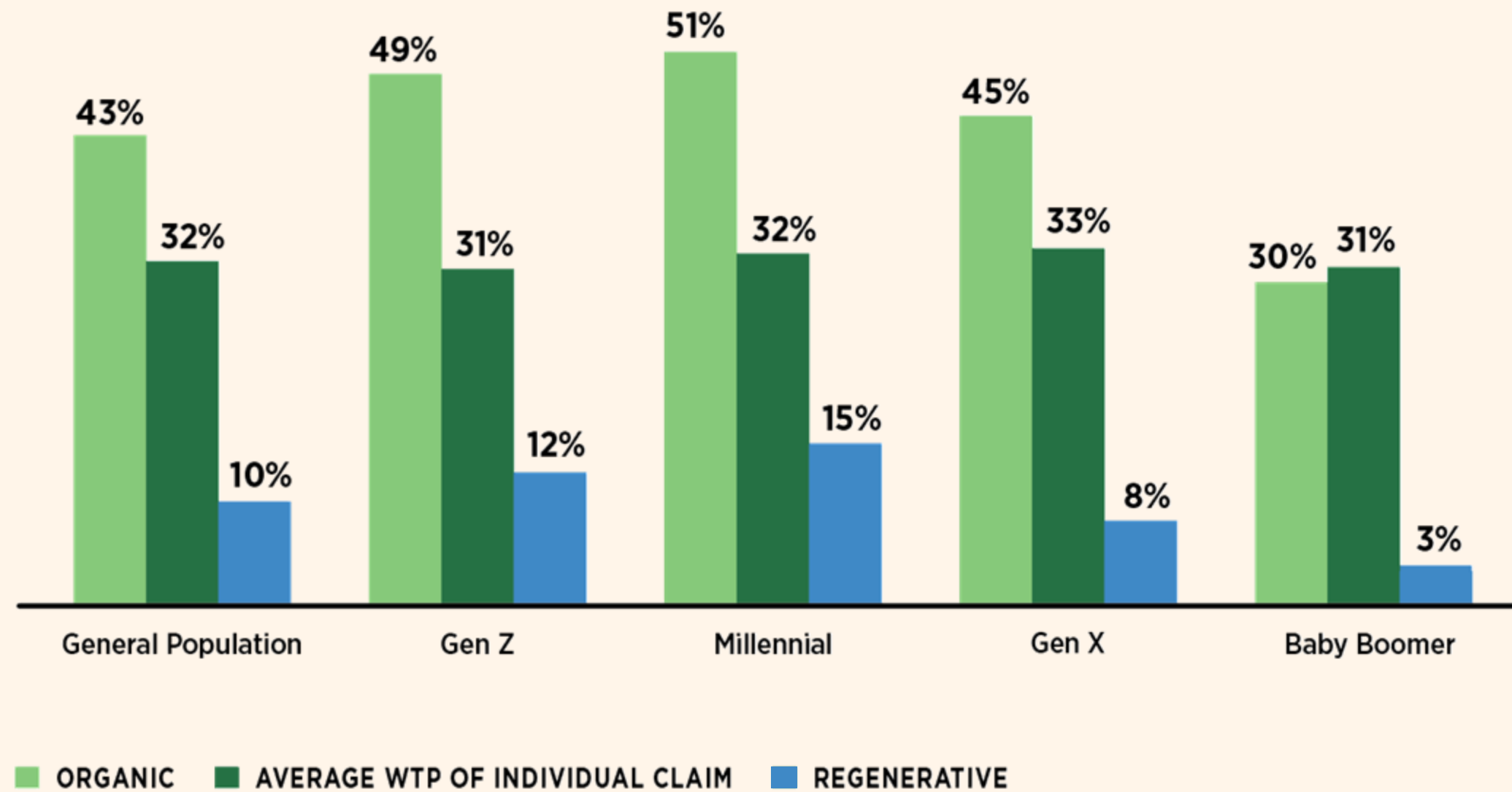
OTA's Consumer Perception of USDA Organic and Competing Label Claims - 2025







# Consumer Trends



OTA's Consumer Perception of USDA Organic and Competing Label Claims - 2025



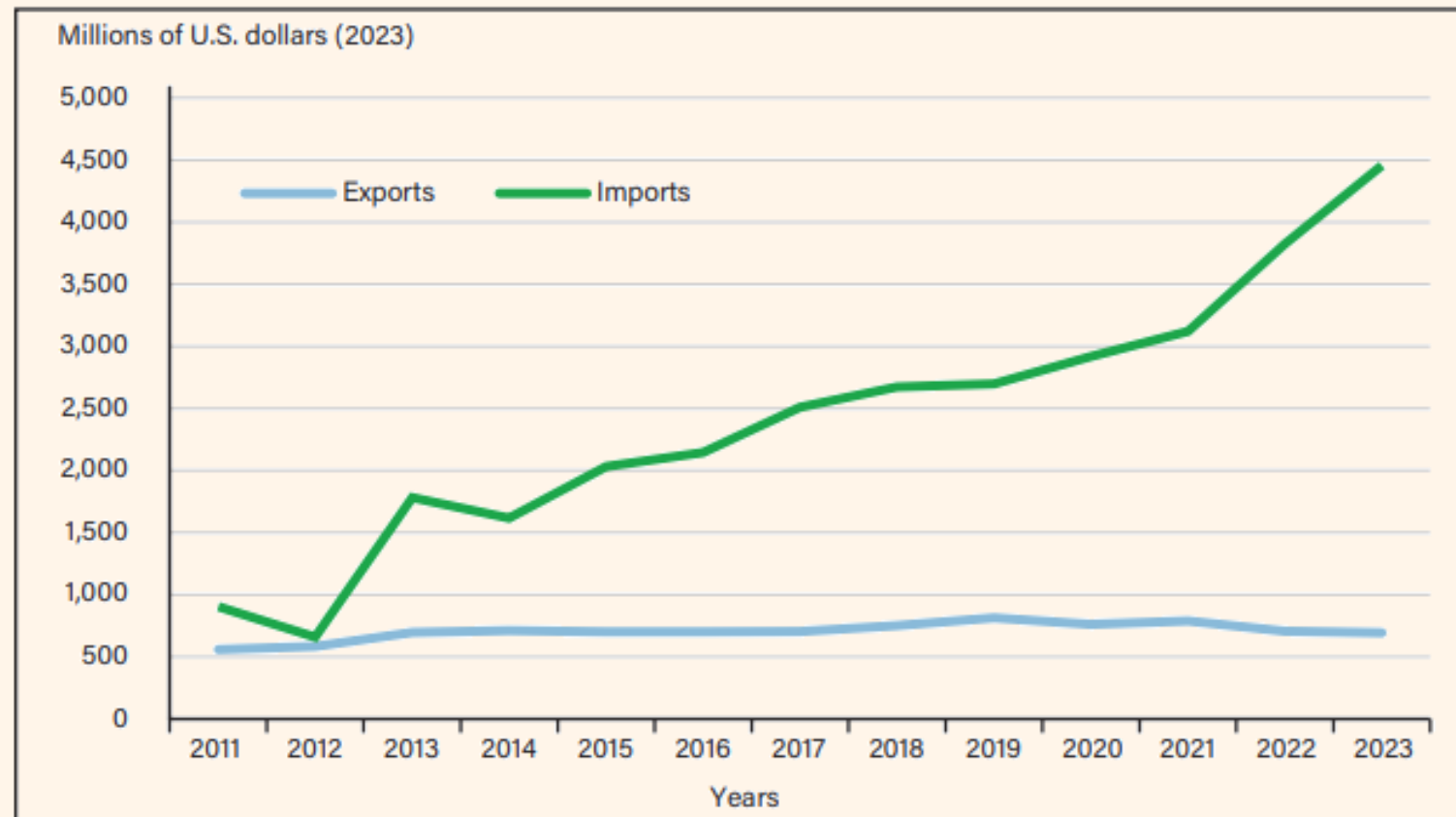




# Resilient Supply Chains

## Challenges

Inflation-adjusted U.S. exports and imports of organic products, 2011–2023



Note: U.S. dollars are adjusted for inflation to 2023 dollars based on the U.S. Bureau of Labor Statistics' (BLS) Consumer Price Index for All Urban Consumers (CPI-U).

Source: USDA, Economic Research Service using USDA, Foreign Agricultural Service, Global Agricultural Trade System data and BLS CPI-U data.

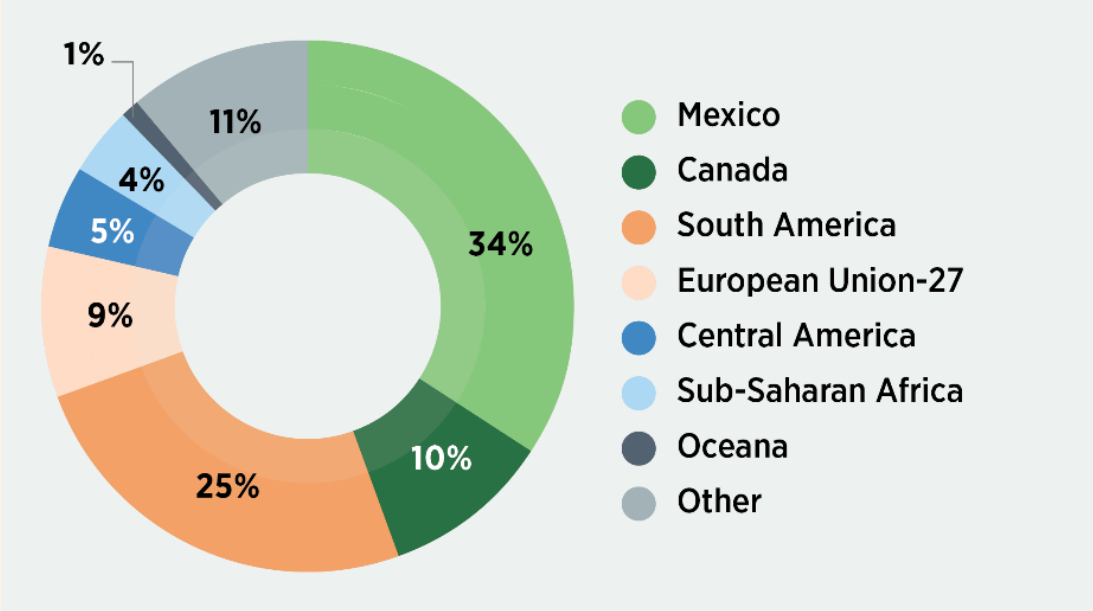






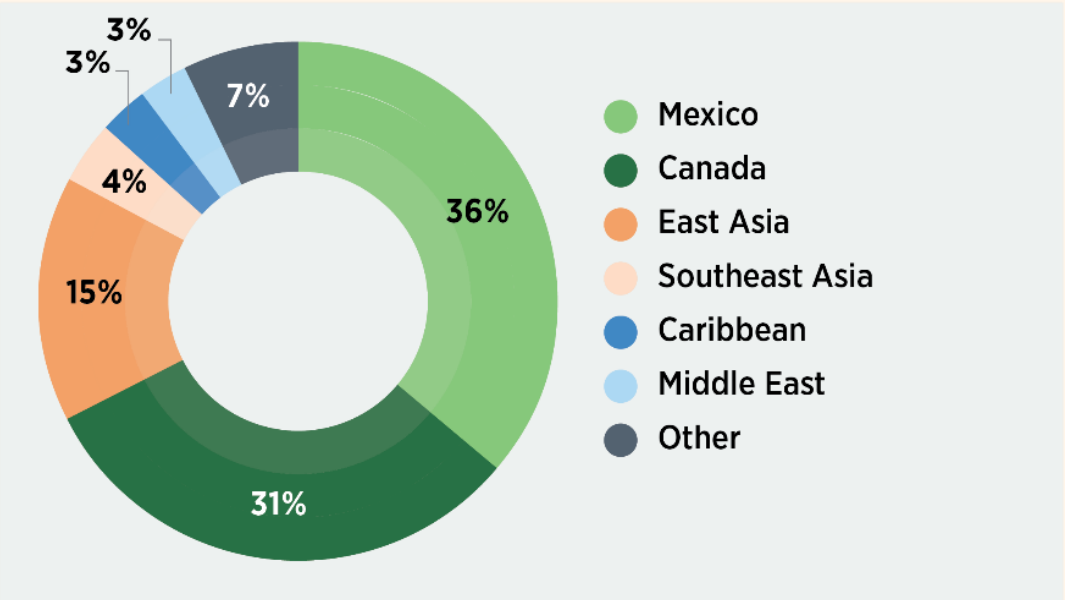
# Resilient Supply Chains

Organic Imports into the U.S. by Region of Origin in 2024



Source: USDA Foreign Agricultural Service, GATS database, commodities with organic HS codes, Jan.-Nov. 2024.

Organic Exports from the U.S. by Destination Region in 2024



Source: USDA Foreign Agricultural Service, GATS database, commodities with organic HS codes, Jan.-Nov. 2024.

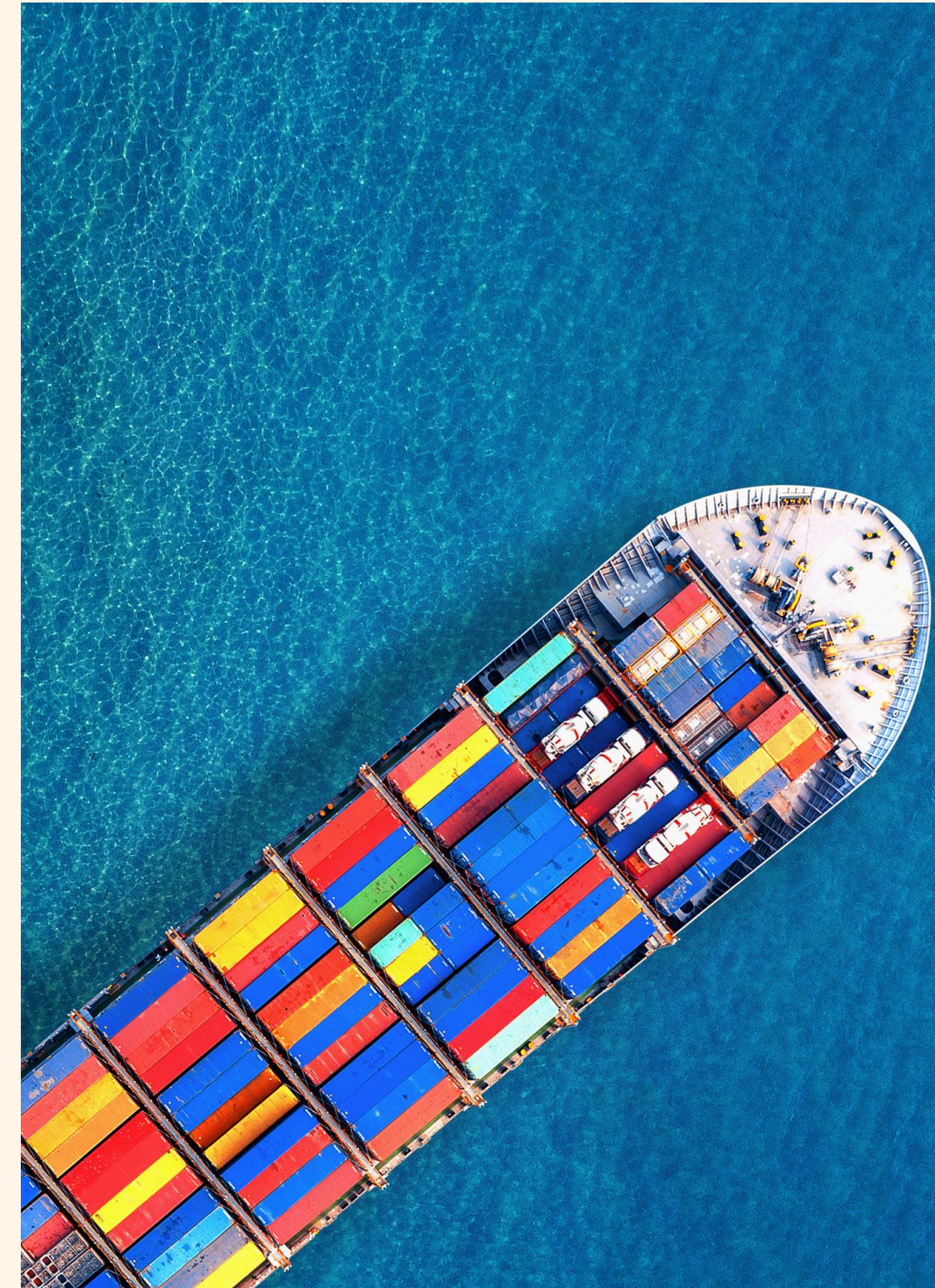
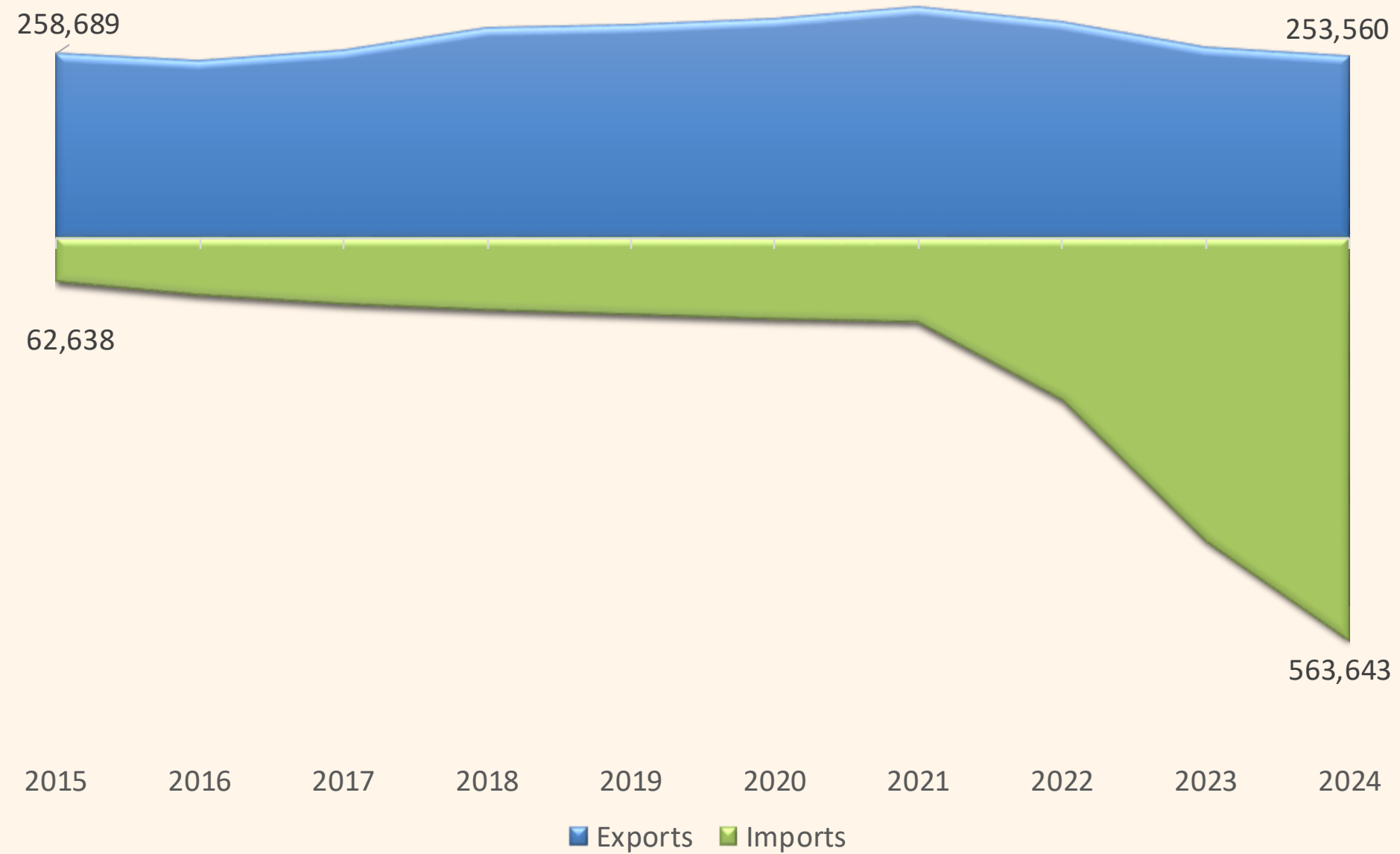






# Resilient Supply Chains

US/Canada Organic Trade Balance ,USD







# Resilient Supply Chains

- Tariff landscape rapidly shifting
- Used for trade deficit, policy tool and negotiation tool
- Friend or Foe
- Proposed tariffs - Chinese ships
- 90 day pauses
  - July 9th on reciprocal
  - August 14<sup>th</sup> on China
- Bilateral Trade deals being prioritized
- 232 Investigations – copper, circuits, critical minerals, lumber, movies, pharmaceuticals, semiconductors, trucks/parts.
- USMCA up for negotiation in 2026







# Resilient Supply Chains

- Winners and losers
- Changes in supply chains
- Inflationary pressure
- Uncertainty
- Current state:
  - 10 percent tariffs on all goods for all countries except USMCA
  - 25 percent tariffs on Steel, Aluminum – Canada retaliation on 25% tariff on select goods
  - UK trade deal maintains 10% tariffs with no retaliation
  - 34% tariffs on all goods from China (90 day pause from 145%)







Section Title (remove if the whole presentation is on the same topics)

# Resilient Supply Chains

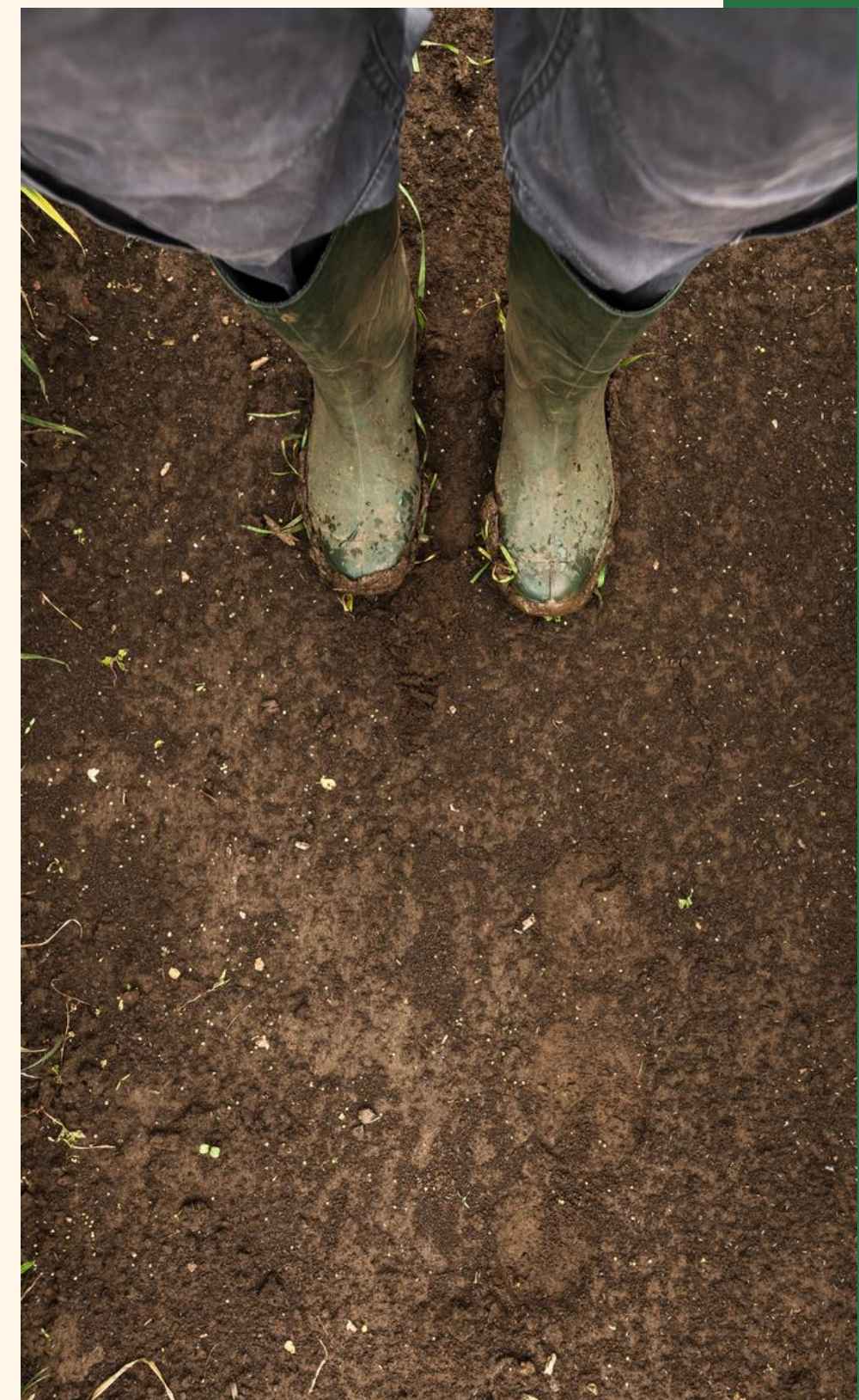
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## OMD - \$85 Million

- Simplified Equipment-Only with funding between \$10,000 and \$100,000
- 3-year Market Development between \$100,000 and \$3,000,000 with 50% cost share; Leverage company investments
- Processing Capacity Expansion between \$100,000 and \$3,000,000 with 50% cost share; Support domestic processors

## TOPP - \$100 Million

- Build a network of mentors to connect with transitioning farmers.
- Make organic technical assistance available to organic farmers.
- Workshops and field days covering topics including organic production practices, certification, conservation planning, regulations, and marketing
- Helping producers overcome technical, cultural, and financial.
- Engaging educational and training institutions on organic workforce training and education and future human capital planning.







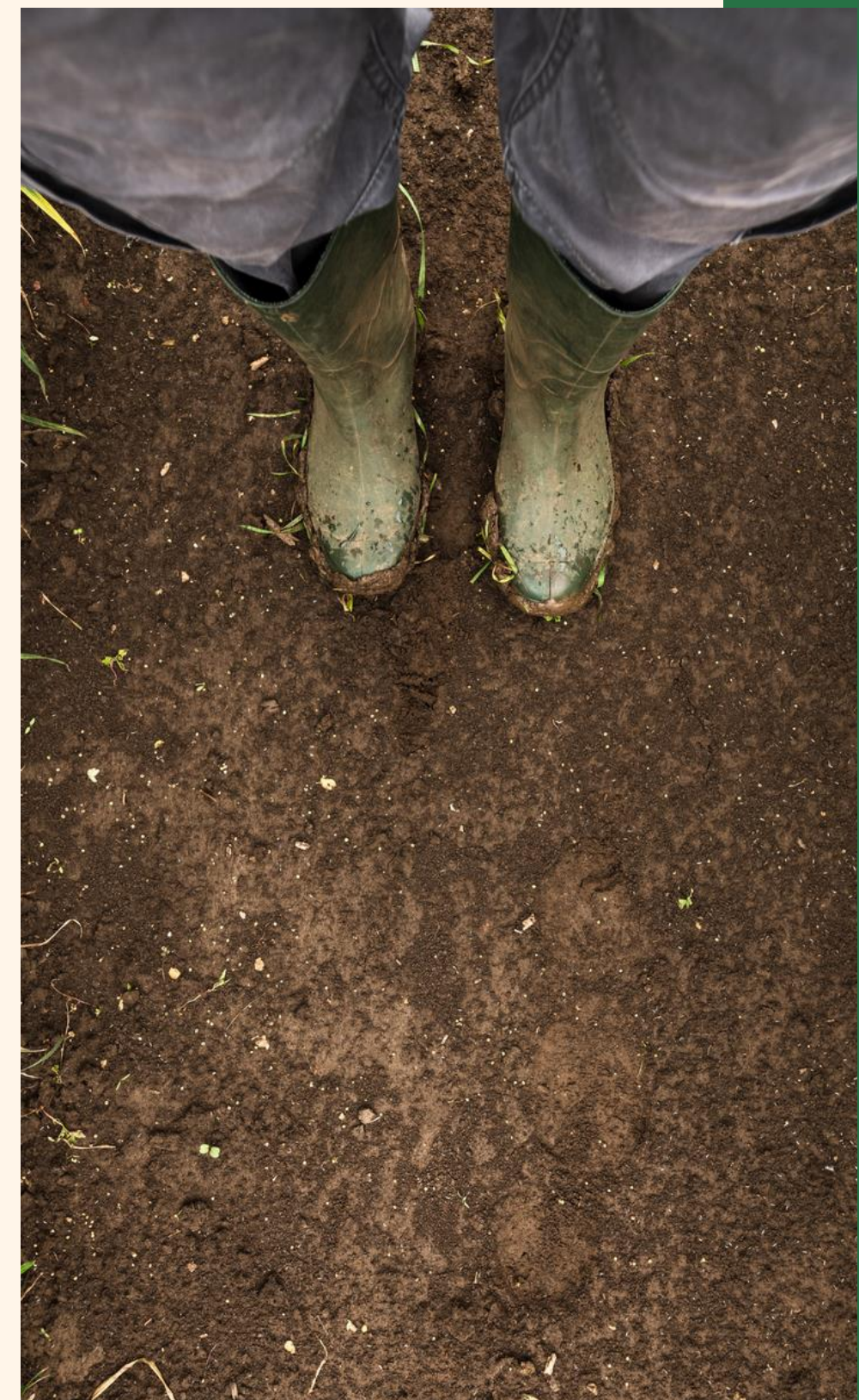
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# Resilient Supply Chains

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## NRCS Organic Specialists - \$5 Million

- 6 regional specialists
- 1 research specialist
- Disseminate the latest in organic research and national training to NRCS staff
- Six organic specialists who will support producers through regional networks and hands-on organic training, and support NRCS staff who assist farmers transitioning to organic.

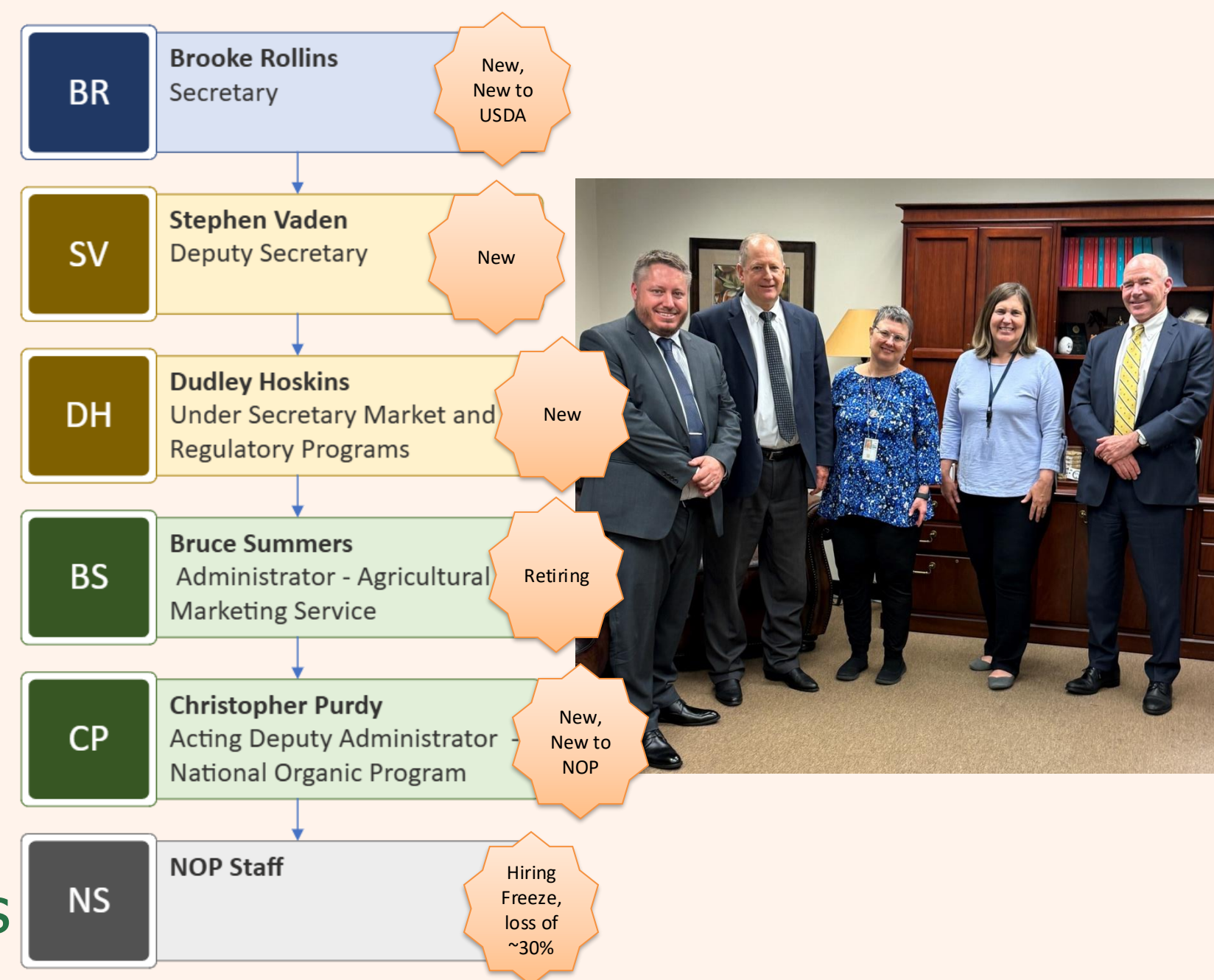






# USDA Changes

- Leadership changes
- Deferred Resignations
- Grants
  - OMD – released!
  - TOPP – released!
  - OREI – Not open/Some terminations
- A new direction in policy
  - DEI and climate rollbacks
  - Deregulatory
  - Proposed rescinding Pet food/mushrooms







## Educating Congressional Leaders

- Organic as a voluntary regulation
  - Necessary to preserve integrity
  - Not all or nothing (split operations)
- Organic opportunity and onshoring
  - Fraud prevention
  - Infrastructure & market investment







# Collaboration & Advocacy

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## Policy

- Farm Bill
  - Historic tool to move agricultural policy and funding
  - Bipartisan – balancing farm and nutrition spending
  - Should have been renewed in 2023
- Budget Reconciliation
  - “One big, beautiful bill”
  - Farm bill policies moving into reconciliation
  - Opportunity and Threat







# Opportunities

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## Appropriations:

- NOP Funding at \$30M
- Organic Market Development (OMD)
- Organic Research and Education Initiative (OREI)
- Organic Research Transition Program (ORG)
- Organic Certification Cost Share
- Organic Certification Trade and Tracking Program (OCTT)
- Organic Production and Market Data Initiative (ODI)







# Opportunities

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## OTA's priorities

- OIVA (S.1398) - Feedstuff fraud
- Organic Market Development
- CIAO - Predictable and consistent process for regulatory renovation
- Organic Data development
- OTA evaluating risk-based oversight
- Claims and the organic seal







## Navigating Challenges and the Road Ahead

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- Relationship building in Congress
- Communication and education a focus for new Members of Congress and policy/political staff at USDA
- Engagement with USDA
- Early wins (OMDGC and TOPP grants)
- Working in coalition
- Adapting to uncertainty





# ORGANIC WEEK 2025

*ROOTED IN 40 YEARS,  
GROWING FOR THE FUTURE*

AN **ORGANIC TRADE ASSOCIATION** EVENT

**September 15-17, 2025**

**Park Hyatt**  
Washington, D.C.

- Call for Proposals
- Tabletop Exhibits
- Sponsorship Opportunities
- Leadership Awards Nominations



<https://qrco.de/OrganicWeek>



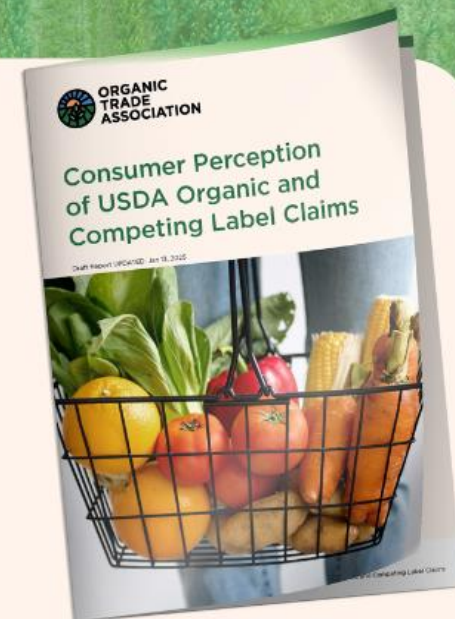


# Industry Resources

2025

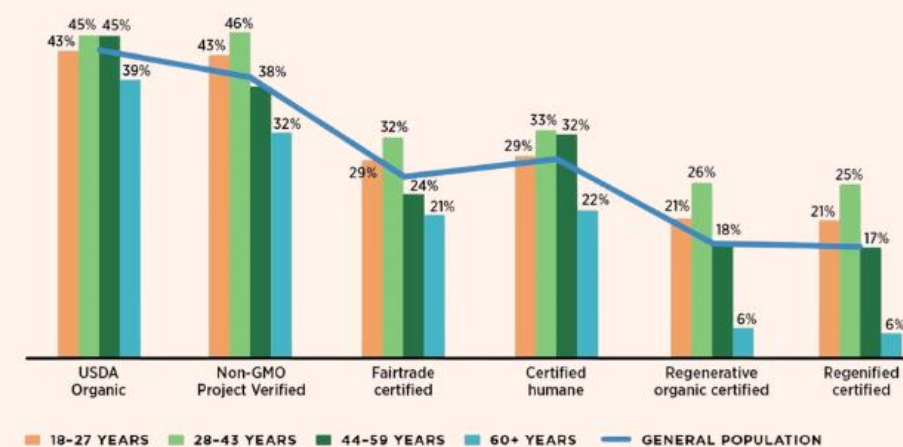
## CONSUMER PERCEPTION

of USDA Organic and Competing Label Claims



### Generational Trust Levels for Certifications

High trust by *generation* for various certifications  
Organic consistently has highest trust across all generations.

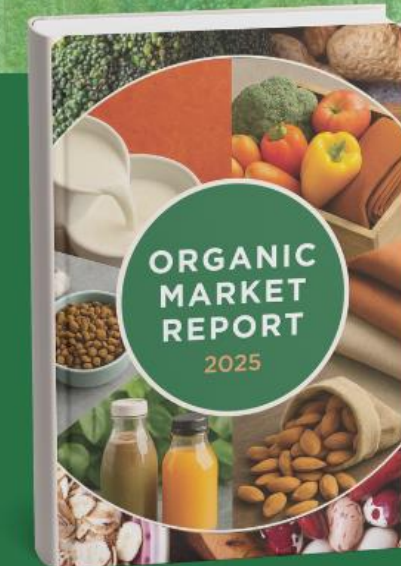


[ota.com/ConsumerPerception](https://ota.com/ConsumerPerception)

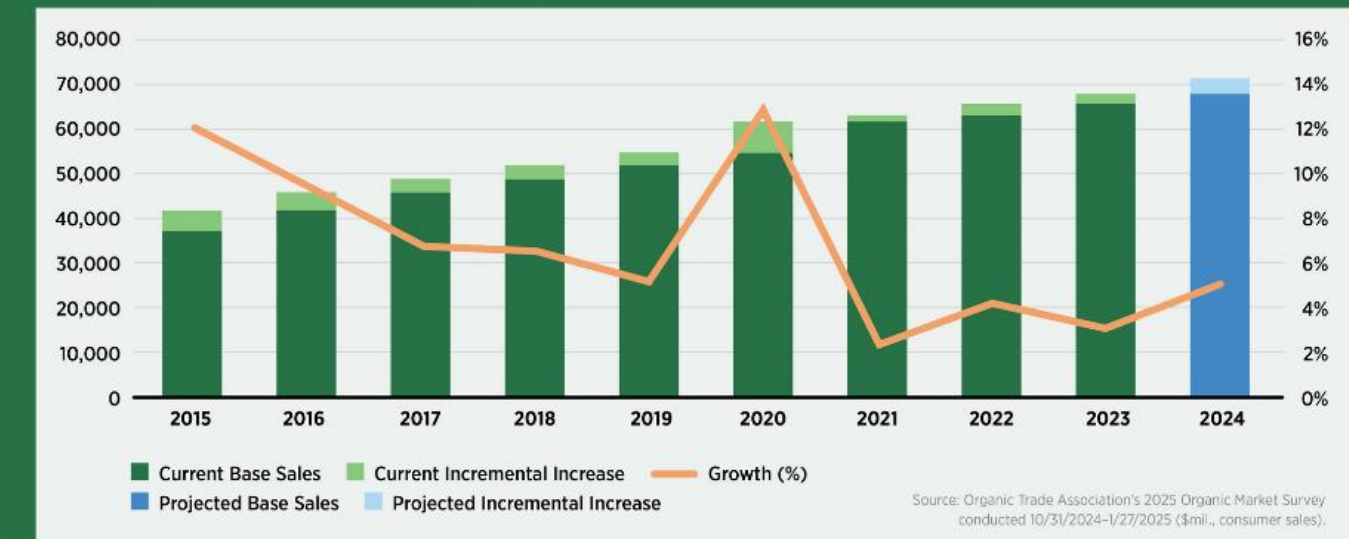


## 2025 Organic Market Report

Available Now



Total U.S. Organic Sales and Growth, 2015-2024



Source: Organic Trade Association's 2025 Organic Market Survey conducted 10/31/2024-1/27/2025 (\$mil., consumer sales).

[ota.com/OrganicMarketReport](https://ota.com/OrganicMarketReport)







**ORGANIC  
TRADE  
ASSOCIATION**



**Thank You**

**Tom Chapman**

**CO-CHIEF EXECUTIVE OFFICER**

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# Organic Turns Challenges into Growth Opportunities



Tia Loftsgard, Executive Director  
May 14, 2025



# Canada Organic Trade Association

## Strategic Areas of Focus:

- Market Access & Development
- Industry Intelligence
- Public Advocacy
- Regulatory Affairs





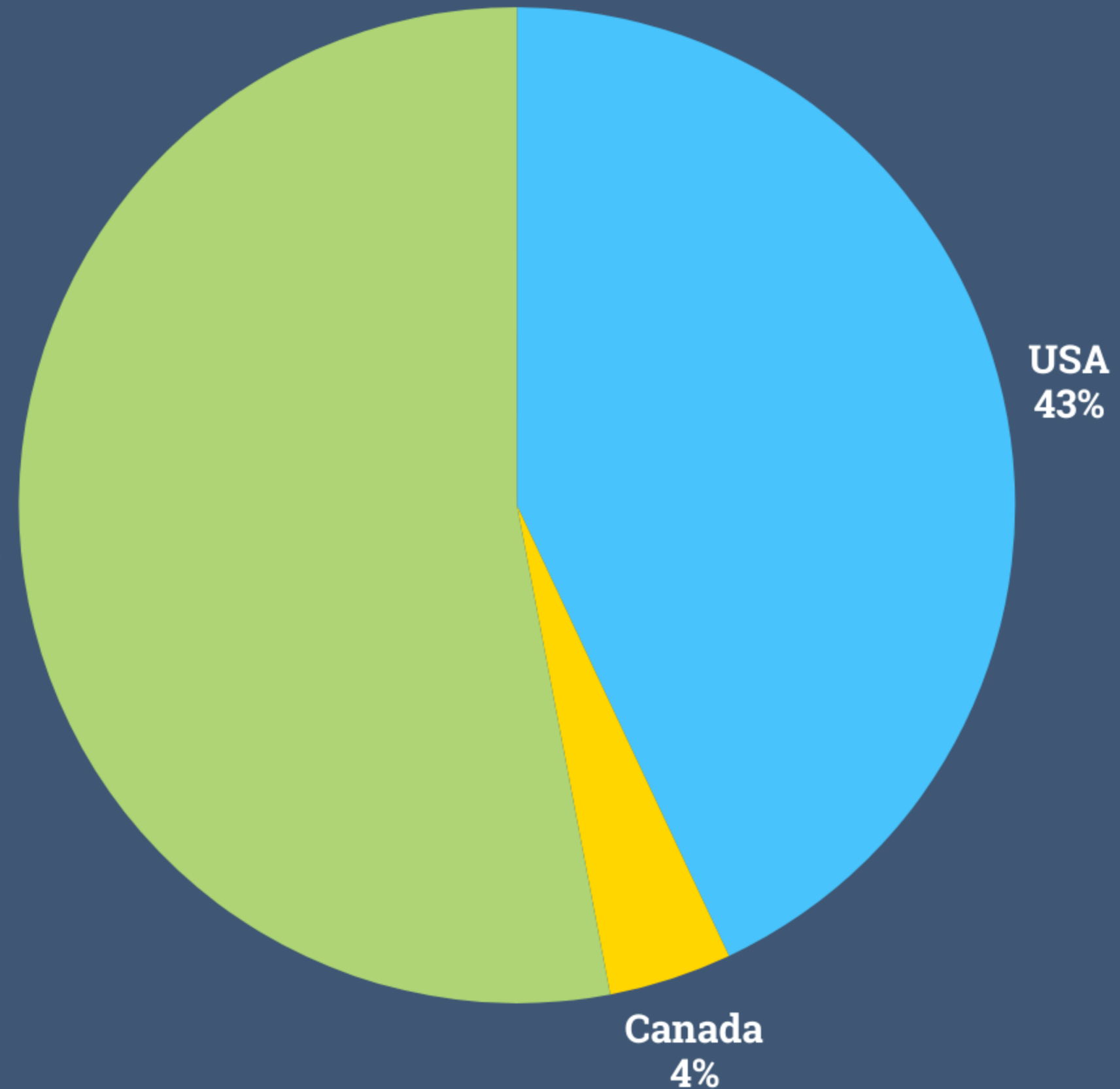
# Canadian Organic Market



5th Largest Market  
Globally

Rest of World  
53%

9th Highest Per Capita Consumption  
in the World





# Canadian Organic Market

\$9.01 Billion CAD

Annual Sales (2023)

80% of total is Food and Beverage  
valued at \$7.176 Billion CAD



3.4%

TOTAL  
MARKET SHARE

MARKET SHARE OF



5.7%

VEGETABLES



4.9%

FRUITS



3.4%

PACKAGED FOOD



0.5%

MEAT



# Strong Consumer Demand

what Canadians are saying  
about  
**organi**



Attributes when grocery shopping or dining out

**55%**

report seeking organically produced food "always or sometimes" \*

**60%**

say they are willing to pay more for organic products

**87%**

report "always and often or sometimes" purchase organic

**39%**

of the national average say they would "always buy organic" products if they could afford it\*\*\*



# Canadian perceptions of the benefits of organic



46%

say organic food is healthier



50%

say they are very/moderately concerned about the use of pesticides, herbicides and/or fungicides in farming



49%

say they are very/moderately concerned about the use of antibiotics in farming



47%

say they are very/ moderately concerned about the treatment of animals on farms



55%

say they are very/moderately concerned about the use of hormones in farming



47%

say that certified organic grown/produced foods are better for the environment



59%

said it is grown with fewer pesticides or chemicals



53%

say they are very/moderately concerned about genetically modified foods



# Canadian Organic Sales

2023 Values	Value (\$Million CAD)	% Total
Total organic food and beverage (excluding alcohol)	\$ 7,176	79.7%
Organic Alcohol	\$ 513	5.7%
Organic Supplements	\$ 206	2.3%
Organic Fibre	\$ 258	2.9%
Organic Personal Care	\$ 140	1.6%
Organic Pet Food	\$ 17	0.2%
Organic Household Products	\$ 13	0.1%
Organic Exports	\$ 686	7.6%



# 2024 Organic Market Report

## Unlock Canadian organic business insights

Compiles and analyzes data from:

- NielsenIQ
- Statistics Canada
- FiBL Research Institute
- organic businesses across the supply chain and;
- a variety of other sources



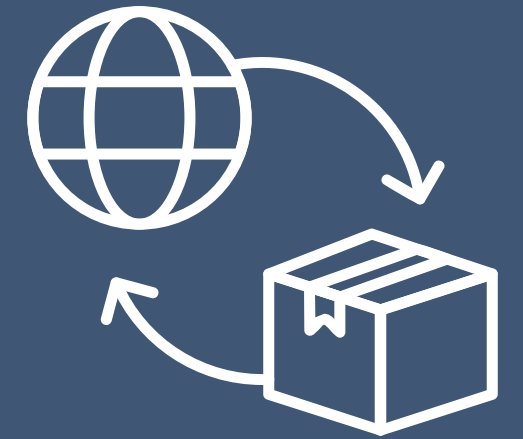
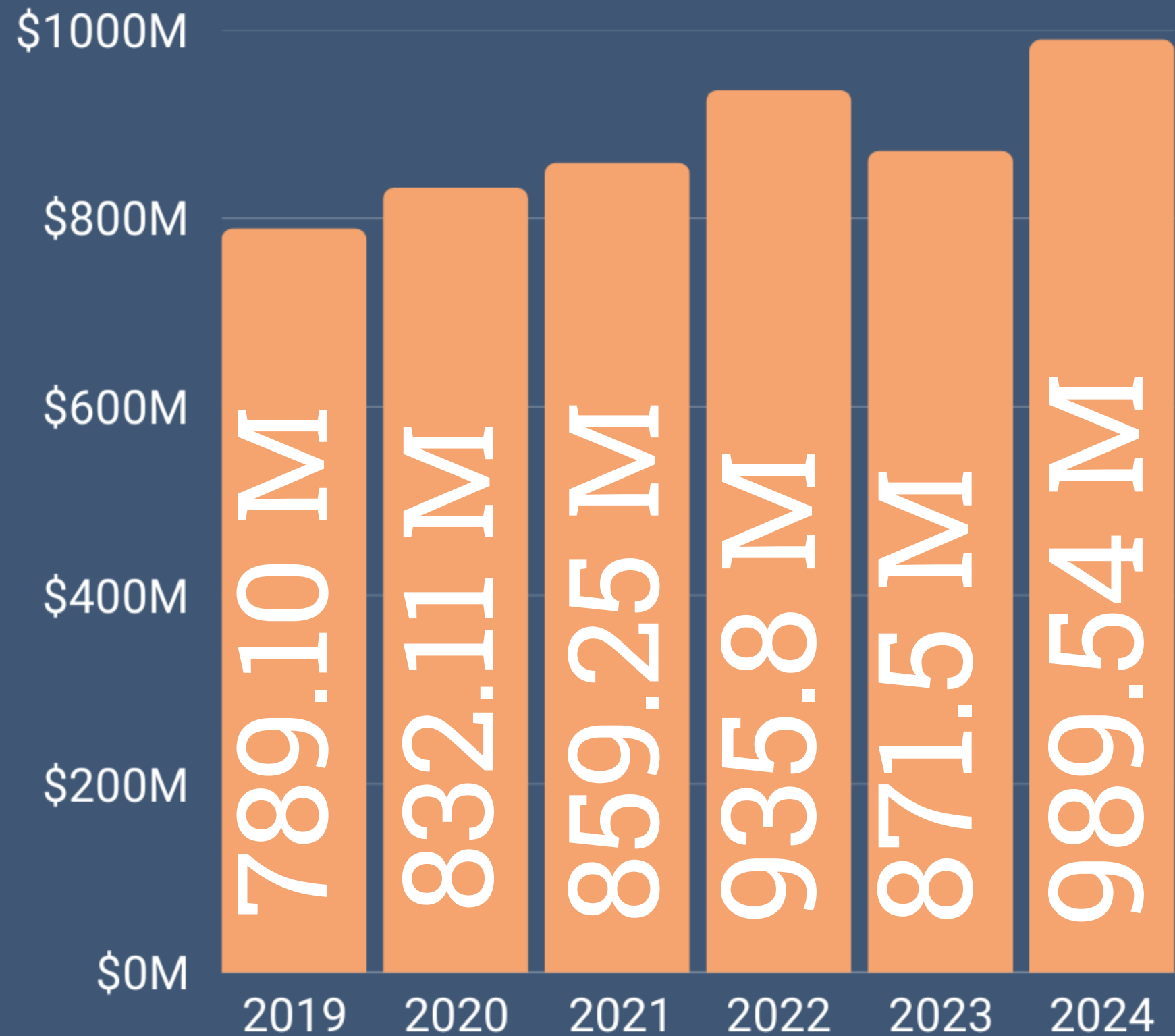
Scan for more  
info

## 2024 The Canadian Organic Market





# Organic Trade: Imports



**\$989.54 M**

**IMPORTS**

13% increase in 2024 since 2023

34% of volumes are imports from the USA



# Top 20 Imported Products



1	Coffee
2	Olive oil
3	Bananas
4	Blueberries
5	Raspberries
6	Carrots
7	Lettuce
8	Strawberries
9	Peppers
10	Tomato Sauce
11	Spinach
12	Tomatoes
16	Apples
13	Grapes
14	Cucumbers
15	Onion
16	Lemons
17	Green Tea
18	Broccoli
19	Oranges



# CANADA'S 9 ORGANIC EQUIVALENCY ARRANGEMENTS



United States of America: 2009

European Union: 2011

Switzerland: 2012

Costa Rica: 2013

Japan: 2014

Taiwan: 2020

United Kingdom: 2021

Mexico: 2023

South Korea: 2023

**Countries that accept Canada organic without an equivalency arrangement**

United Arab Emirates

Hong Kong



# Import Requirements -

Transaction Certificates for equivalency arrangement  
partners

## Required for All Imports:

Japan  
Taiwan  
South Korea  
UK  
Mexico

## Underway:

Switzerland  
Costa Rica

## Not Currently in Place:

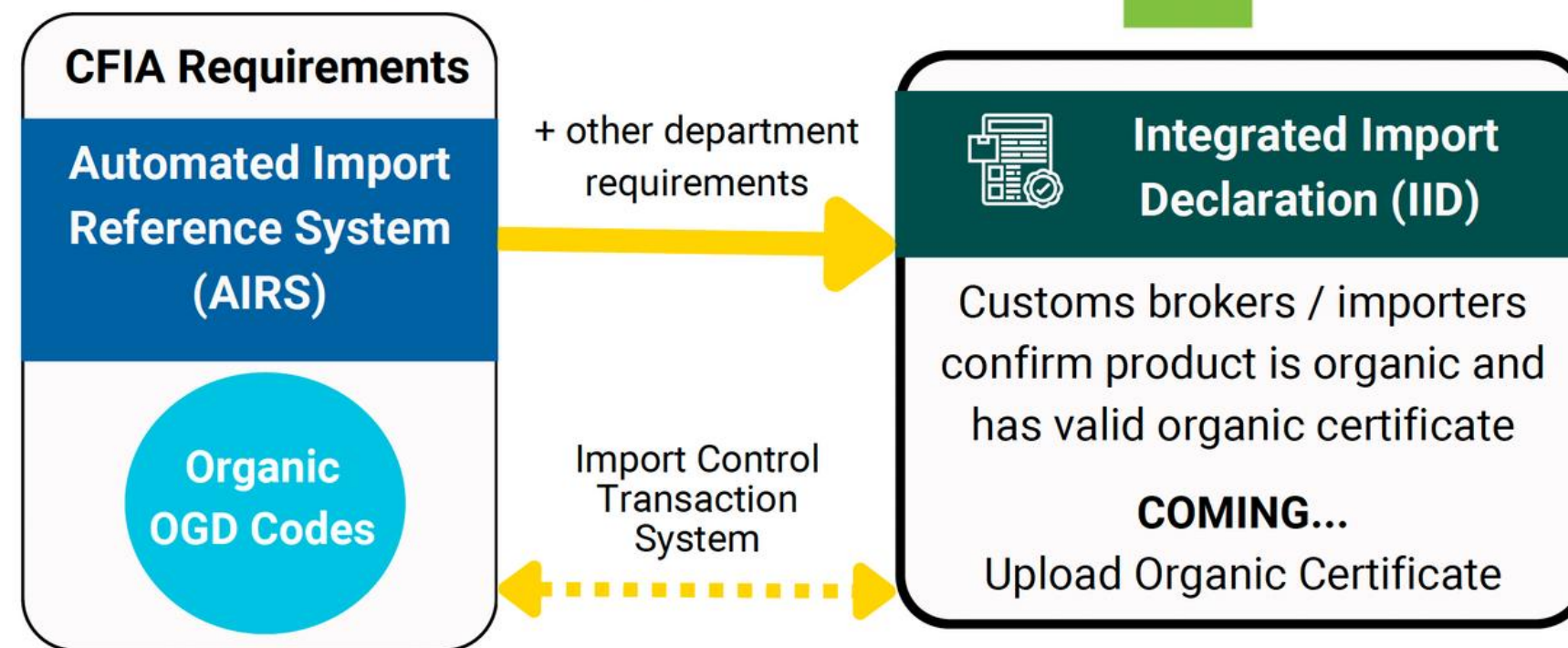
USA  
EU

**For all other countries, products need to be certified to COR or NOP**



# New Import Requirements

## Canada Import Requirements



**Strengthened  
compliance verification  
and enforcement of  
regulations**



Canada Border  
Services Agency

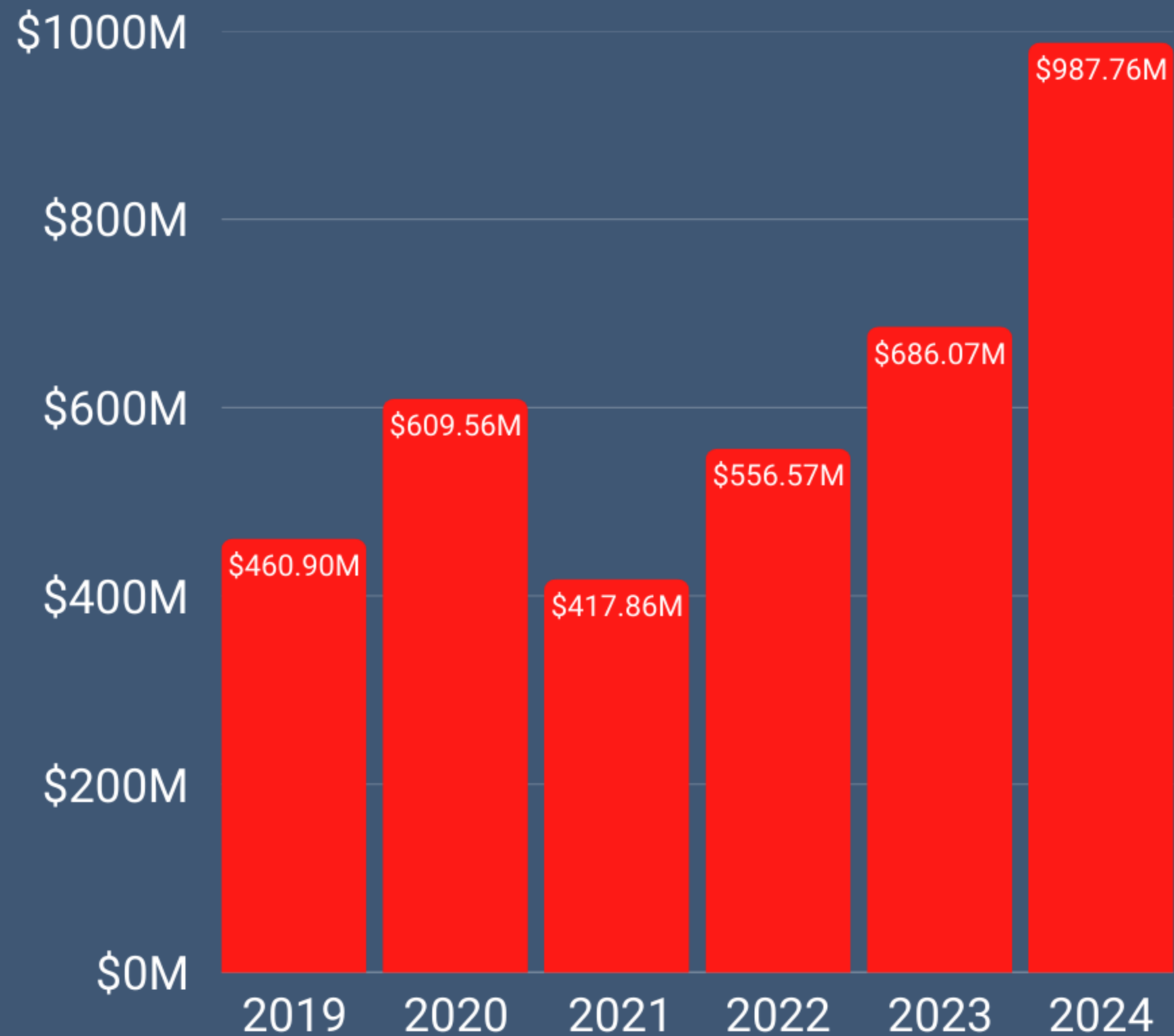


Organic Certificates must  
be uploaded into the  
Import Declaration  
System using the Organic  
specific codes

Enforceable as of  
May 26, 2025



# Organic Trade: Exports

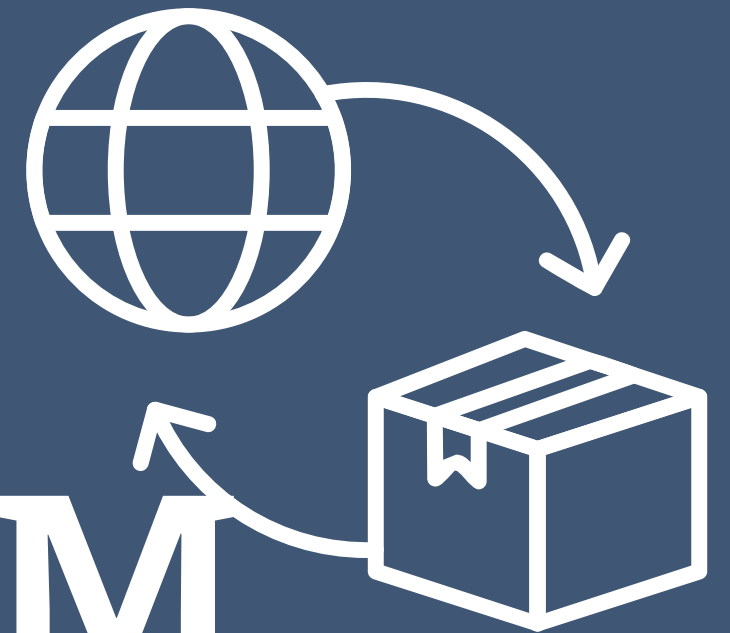


**\$987.76M**

**EXPORTS**

44% growth rate in 2024 over  
2023

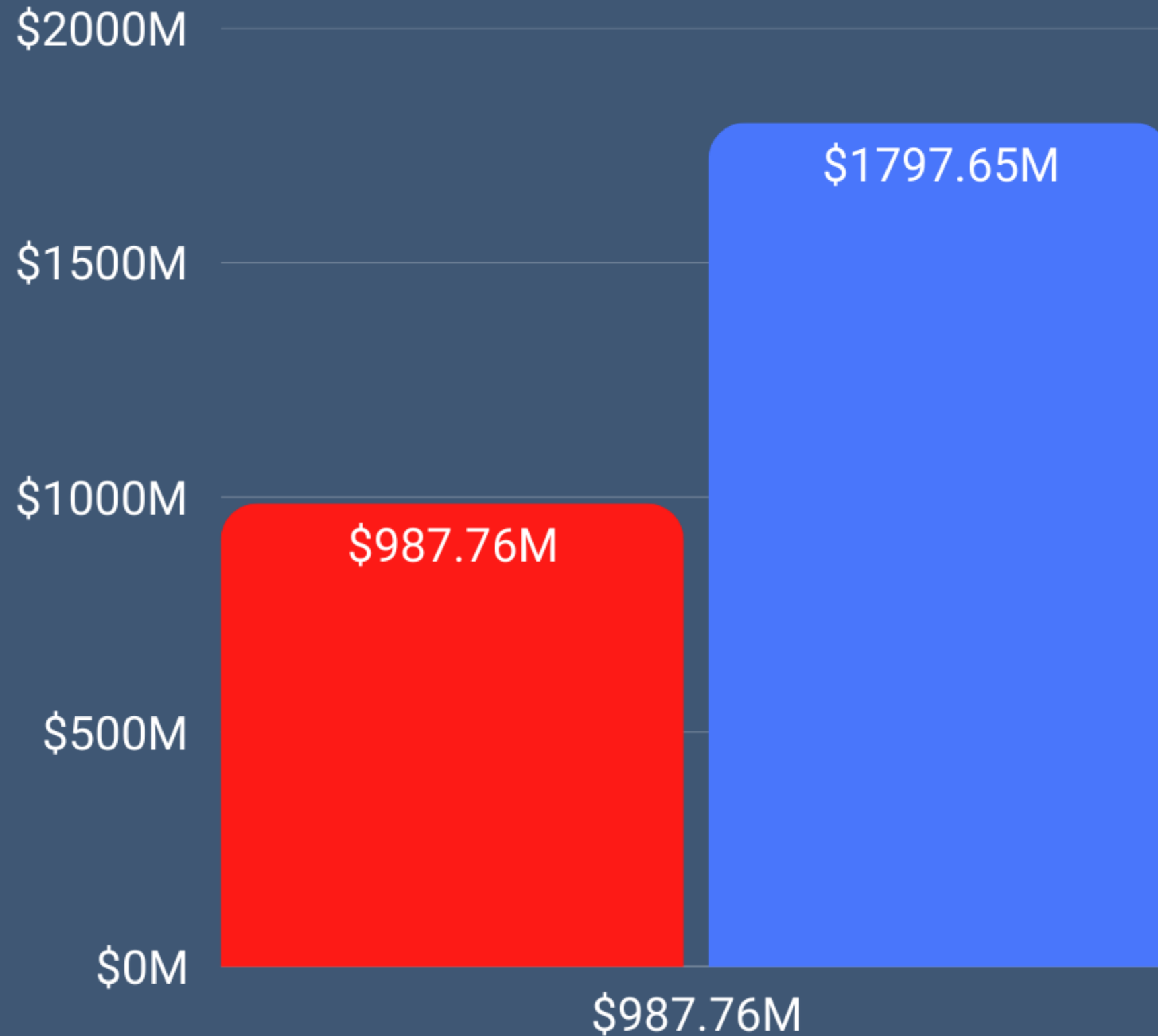
Based on 18 organic-specific HS  
codes





# Canadian Exports to USA

● Canada Tracks ● USA Tracks



**\$1.797 Billion**  
EXPORTS

29% of Canadian exports  
statistically captured by Canadian  
government

Based on 2024 HS Code Statistics Canada Data



On February 1, 2025, U.S. announced tariffs on Canada under the premise of fentanyl and border security. This launched a series of back-and-forth tariff measures from both countries.





# Key U.S. tariffs in effect (as of Apr 14, 2025)

## U.S. Tariff Actions

Announces 25% tariffs on all Canadian imports starting Mar 4 to secure borders and tackle fentanyl (International Emergency Economic Powers Act, IEEPA). Later to be revised.

**Feb 1, 2025**

25% tariff on all non-CUSMA compliant goods. 10% tariffs on energy and potash.

**Mar 6**

Tariffs on steel and aluminum

**Mar 12**

25% on all non-U.S. made automobiles.

**Apr 2**

Reciprocal tariffs of 10% on almost all countries (Canada and Mexico not included...previous tariffs remain).

**Apr 5**

And more to come...

**Mar 4**

Retaliatory tariffs on \$30 billion of U.S. goods

**Mar 13**

25% retaliatory tariffs on \$29.8 billion of goods (steel and aluminum)

**Apr 9**

25% tariffs on certain cars from the U.S.

## Canadian Retaliatory Tariffs



# Canada's Retaliatory Tariffs on U.S. imports

## **List 1 : Effective Mar 4, 2025**

- Imposed 25% tariffs on \$30 billion of imports (1256 HS codes)
- [65 of the more than 4700 organic HS/OGD codes](#) on list
  - Includes yogurt, tomatoes, beans, citrus, watermelon, peaches, coffee, tea, spices, cereals, and some beverages
- No tariff exemptions for CUSMA compliance

## **List 2 Broader consultation: Not currently in effect**

- \$200 billion worth of goods that Canada could draw on for additional countermeasures
- [384 organic HS/OGD codes](#) on list

## **List 3 Steel/Aluminum: Effective Mar 13, 2025**

- Imposed 25% tariffs on \$29.8 billion of imports (539 HS codes), mainly steel and aluminum

## **List 4 Automotive: Effective Apr 9, 2025**

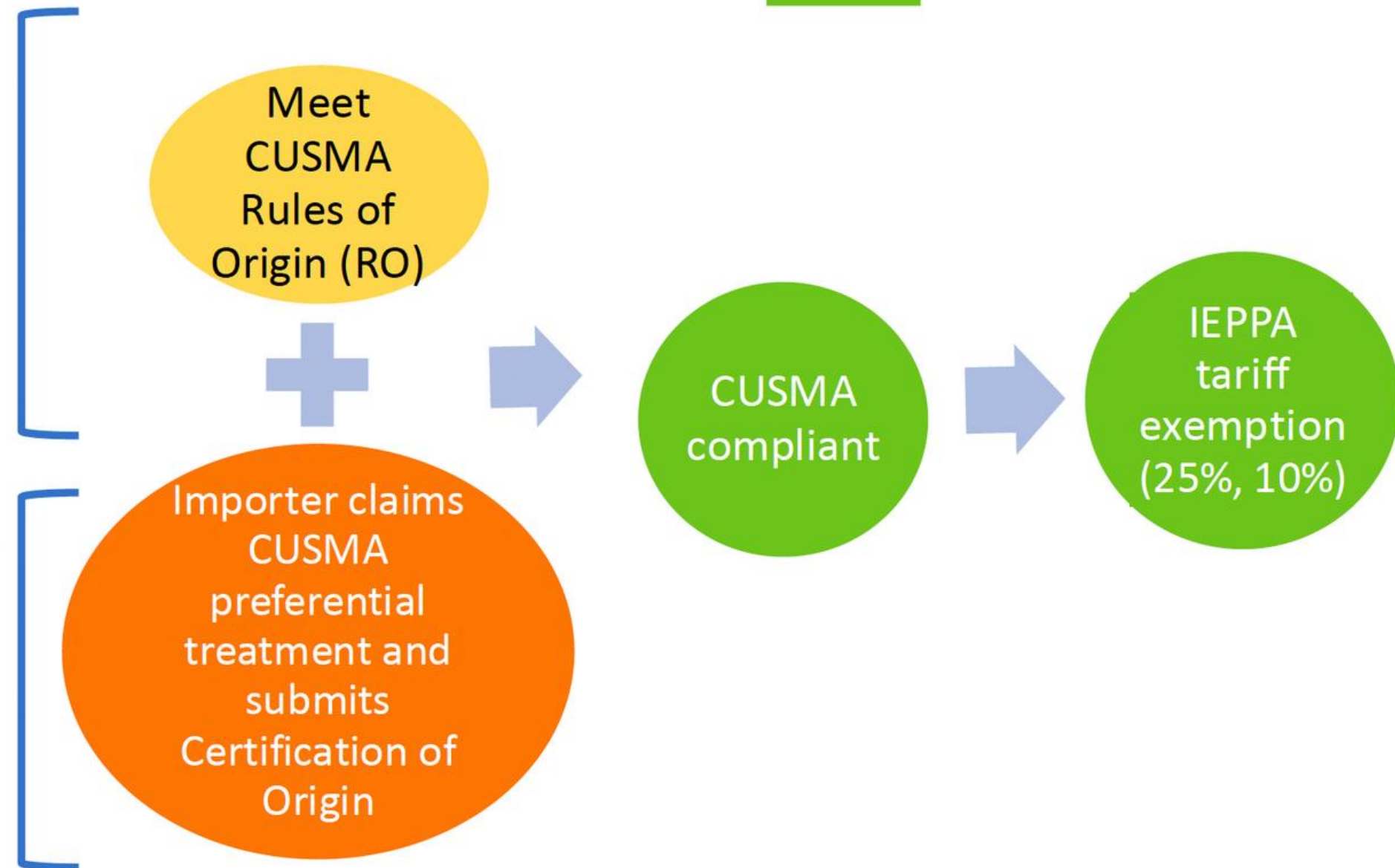
- Imposed 25% tariffs on certain cars from the U.S. (not CUSMA-compliant, and CUSMA-compliant with non-Canadian or non-Mexican parts).



# 55% of Canadian Exports Qualify - exempt from tariffs

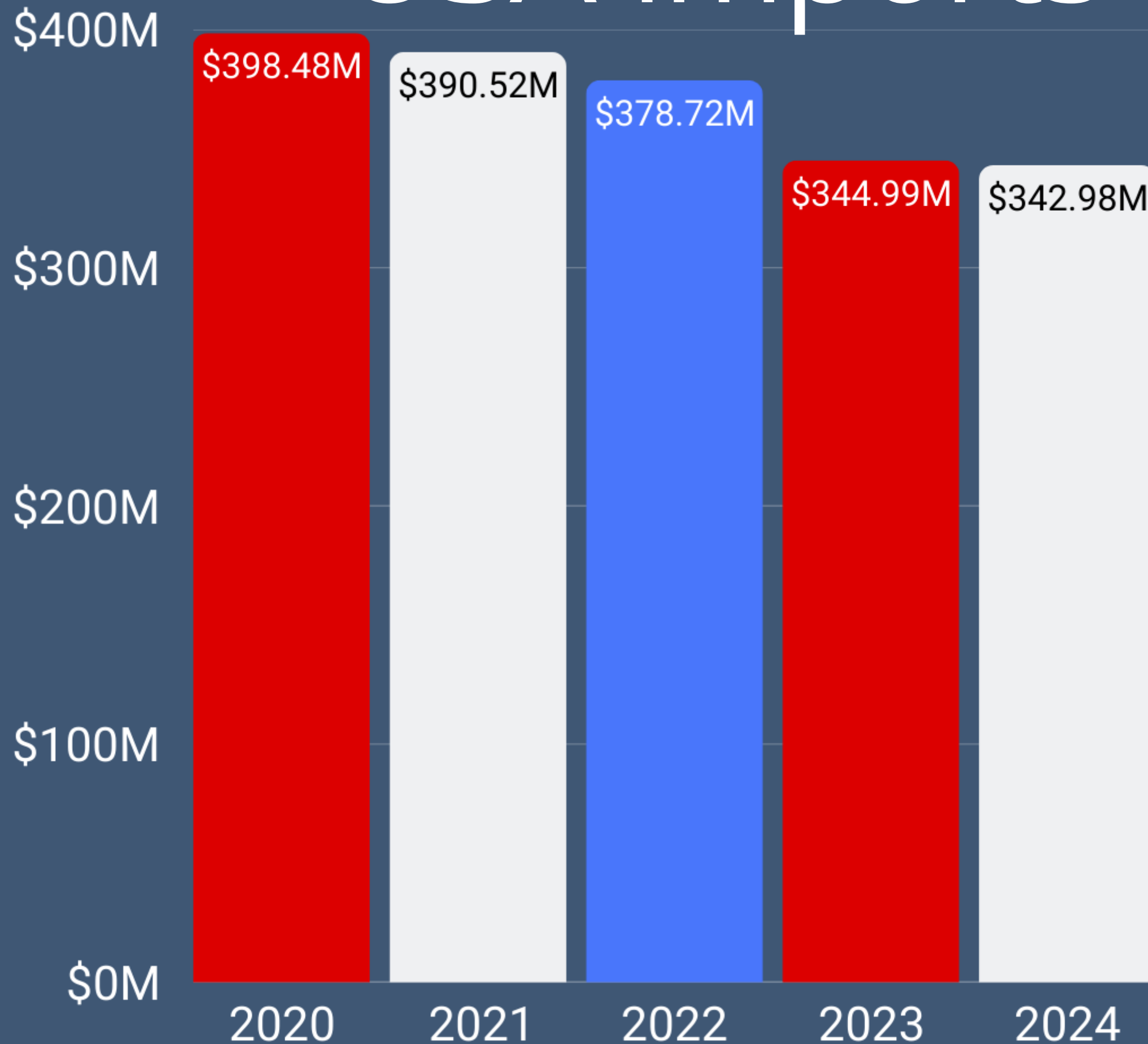
## CUSMA (USMCA) Compliance

- **General:** Wholly obtained (e.g. crops grown in Canada)
- **Product-specific (PSRO):**
  1. Minimum North American content
  2. Transformation of imported good resulting in new HS classification
  3. Specific process transformation
- **Choose CUSMA preferential treatment** (not Most Favoured Nation treatment)
- Largely administrative process
- Certification of origin to be completed by producer, importer or exporter
- 5-year recordkeeping of supporting documentation





# USA Imports to Canada



**\$342.9 M**  
**IMPORTS**

14% decrease in 2024 since 2020

Canada's retaliatory tariffs limited to only 65 imported food products affecting organic -fresh produce, coffee, tea most impacted

Based on 2024 HS Code Statistics Canada Data



# Monthly impact on Canadian operators of U.S. tariffs on exports



The USA is collecting 5 times the quantity of tariffs that Canada is reciprocating currently (*based on List 1 tariff implementation*)

Annual Tariffs (based on 2024 US Exports)		US 25% tariffs/month	CAD Conversion/month	
\$	202,578,770*	\$16,881,564	\$	23,803,006

\*Based on 45% Non-CUSMA Compliant Organic Sales to USA



# Retaliatory tariffs: Impact on Canada and price of organic food

[List 2](#) Industry Consultation Closed April 2: Not currently in effect

\$200 billion worth of goods that Canada could draw on for additional countermeasures

[384 organic HS/OGD codes](#) on list

Concerned that distributors and retailers may increase prices even when no reciprocal tariffs

Many retailers heavily promoting Canadian-made products





# China tariffs

On March 8, 2025, China announced tariffs **effective March 20, 2025** on some Canadian imports in response to Canada's tariffs on Chinese electrical vehicles, steel, and aluminum introduced last fall.





COA OAP Presentation to AAFC - Sept 29 2023 -  
Presentation



# ORGANIC ACTION PLAN

Proposal for a collaborative framework to help meet Canada's environmental, economic and social goals through accelerated growth of the Canadian organic sector





# 4 Pillars of the Organic Action Plan (OAP)

A long-term strategic plan for the sector

1. Accelerate growth and innovation in organic **production** (supply / push)
2. Create a framework and **infrastructure** for growth in organic (framing)
  - Regulation and enforcement
  - Data
  - Education
3. Stimulate organic **market** development (demand / pull)
4. **Research** with impact (reaching new heights)



**Ambitious  
targets**





# Updated Organic Standards

**Comes into effect December 2025**

Launching public consultation soon

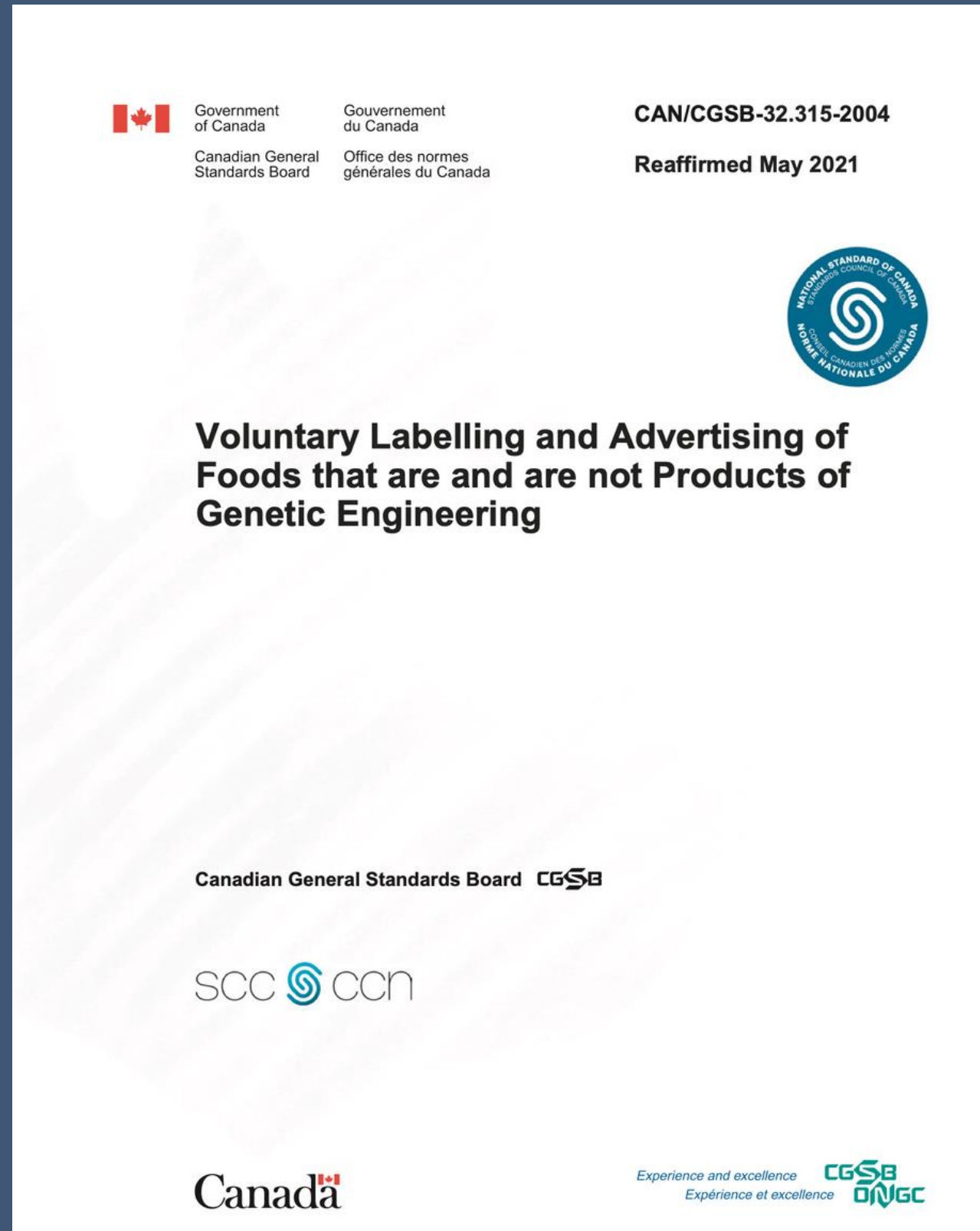
Stay tuned for webinars to introduce you to the upcoming changes.

Visit [organicfederation.ca](https://organicfederation.ca)  
for more details





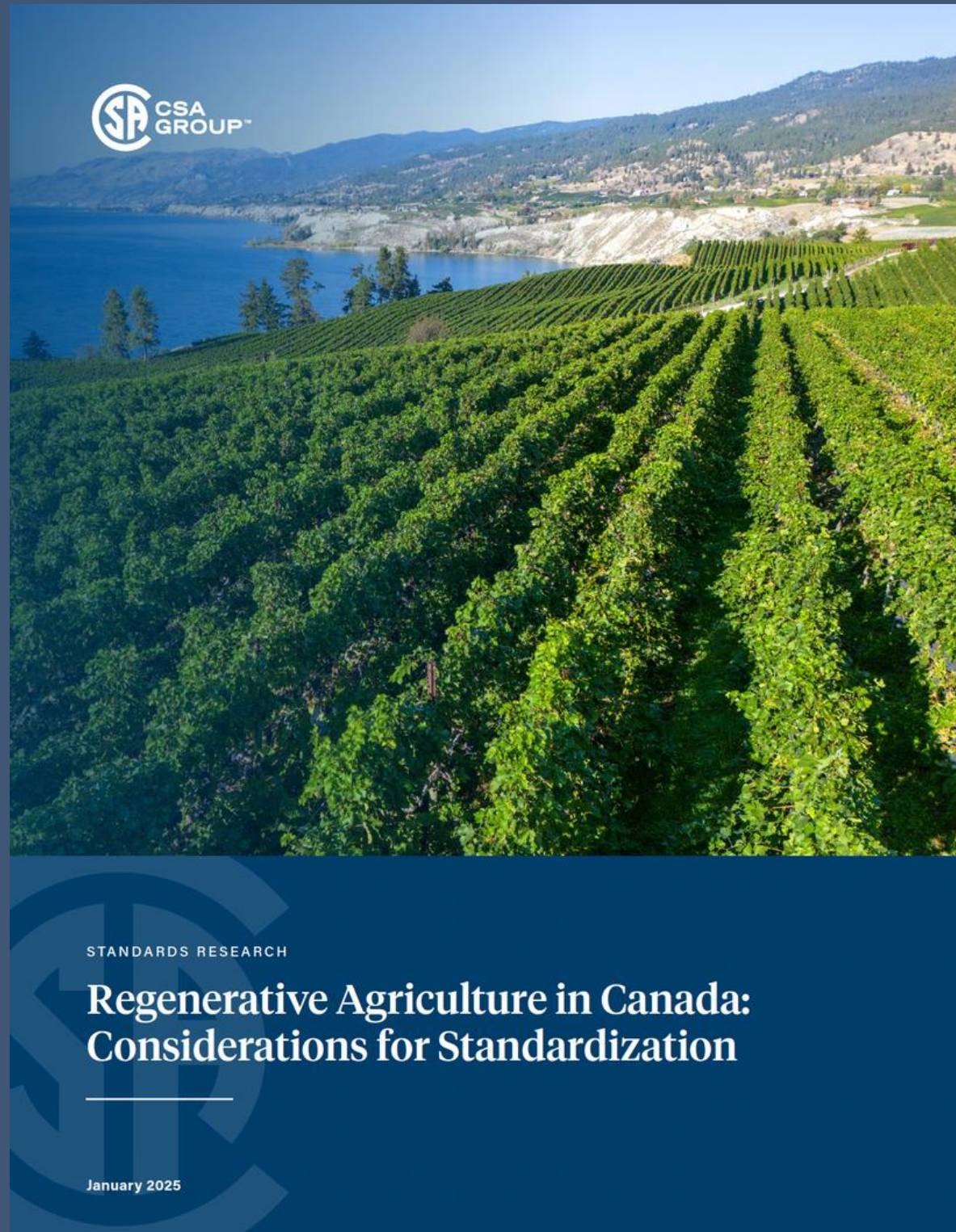
# Voluntary GE Labelling Review



Redefining genetic engineering to exclude gene editing



# Regenerative Standard in Canada





# Navigating challenges

**Buy Canadian**

**New Government**

**Allies**

**Organizing the Organic Sector**



# THANK YOU!

**Tia Loftsgard**

**Executive Director**

**613-482-1717 | Ext. 200 | [tloftsgard@canada-organic.ca](mailto:tloftsgard@canada-organic.ca)**







# We want to hear from you!

Send your questions, comments  
or insights in the Q&A box.







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